IMMIGRATION PATTERNS AND WORKFORCE DEMOGRAPHICS IN URBAN REGIONS: A LONGITUDINAL ANALYSIS

Research Division, Policy Analysis Group
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Abstract

This study analyzes immigration patterns and their effects on workforce demographics across 38 major urban regions over a fifteen-year period from 2008 to 2023. Using linked administrative and survey data, we examine how immigration flows shape the occupational structure, skill composition, and sectoral distribution of urban labor markets. Our findings reveal that immigration has contributed to both skill upgrading and occupational diversification in receiving urban regions. Immigrant workers disproportionately enter sectors with persistent labor shortages, including healthcare support, construction, and technology services. The demographic analysis indicates that immigration has partially offset the effects of population aging in many urban labor markets, contributing to workforce sustainability. These findings challenge narratives of simple labor market competition and highlight the complementary role of immigration in urban economic systems.

1. Introduction

Urban regions serve as the primary destinations for both domestic and international migration flows. The concentration of economic opportunity, social networks, and institutional support services in cities creates powerful attraction effects that shape migration decisions and settlement patterns. Understanding how immigration affects urban workforce demographics is essential for effective labor market policy and regional economic planning. Previous research has examined immigration effects on wages, employment, and fiscal outcomes, but fewer studies have comprehensively analyzed how immigration patterns reshape the demographic and occupational structure of urban labor markets over extended periods. This study addresses this gap by examining workforce demographic changes in 38 urban regions over fifteen years, with particular attention to the mechanisms through which immigration affects sectoral employment patterns and skill distributions.

2. Methodology

The analysis employs a longitudinal panel dataset constructed by linking administrative records from labor force registries with periodic household survey data across 38 urban regions. The dataset includes annual observations of workforce composition disaggregated by nativity status, educational attainment, age cohort, occupational category, and industry sector. We estimate the relationship between immigration flows and workforce demographic changes using instrumental variable regression, where historical settlement patterns and origin-country economic conditions serve as instruments for current immigration flows. Decomposition analyses separate the contributions of immigration from other demographic processes including natural population change, domestic migration, and cohort replacement effects. Sectoral analysis examines the concentration of immigrant workers across two-digit industry classifications and identifies sectors where immigrant labor constitutes a growing share of total employment.

3. Results and Findings

The results indicate that immigration has been a significant driver of workforce demographic change in the studied urban regions. On average, immigrant workers accounted for 23 percent of net workforce growth over the study period, with this share exceeding 40 percent in the largest metropolitan areas. Sectoral analysis reveals strong concentration patterns, with immigrant workers representing disproportionate shares of employment in healthcare support occupations (31 percent), construction trades (28 percent), food services (34 percent), and information technology services (26 percent). Skill composition analysis shows that immigration flows have a bimodal distribution with respect to educational attainment, contributing both to the supply of workers with advanced technical credentials and to the pool of workers available for positions requiring less formal education. This bimodal pattern has contributed to occupational diversification in receiving regions. Demographic decomposition reveals that immigration has offset between 35 and 60 percent of the workforce contraction that would otherwise have resulted from population aging in the studied urban regions.

4. Conclusion

This study demonstrates that immigration patterns play a fundamental role in shaping urban workforce demographics. The findings highlight the complementary nature of immigrant labor market integration, with immigrant workers disproportionately filling positions in sectors experiencing structural labor shortages. The demographic sustainability implications are particularly significant, as immigration has substantially moderated the workforce aging trends that would otherwise constrain economic growth in many urban regions. Policy frameworks that account for these structural contributions of immigration to urban labor markets are essential for effective regional economic governance and workforce planning.